

RAJYA SABHA

Wednesday, the 10th August, 1994/
 Sravana 19, 1916 (Saka)

The House met at eleven of the clock
 MR. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

MR. CHAIRMAN: Question No. 241.
 Shri G. G. Swell, Absent. Shri Chiman-
 bhai Mehta.

SHRI CHIMANBHAI MEHTA: Yes,
 Sir. I am a little surprised... (Interrup-
 tions).

MR CHAIRMAN: Let the Minister
 answer first.

Unutilised Lottery Fund Scam

*241. SHRI G. G. SWELL:

SHRI CHIMANBHAI MEHTA:†

Will the Minister of HOME AFFAIRS
 be pleased to state:

(a) whether it is a fact that Govern-
 ment has sought a clarification from the
 Delhi Government regarding money con-
 tributed to voluntary organisations and
 individuals from the unutilised lottery
 fund;

(b) whether it is a fact that the funds
 were used for purchase of bonds of
 ICICI;

(c) if so, the details thereof;

(d) whether the funds were utilised by
 voluntary agencies for paying custom
 duties for medical equipments and even
 after waiving the duties funds have not
 been given back; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE
 MINISTRY OF HOME AFFAIRS (SHRI
 P. M. SAYFED): (a) No, Sir. However,
 Lieutenant Governor, Delhi in a commu-
 nication to Ministry of Home Affairs has

†The question was actually asked
 on the floor of the House by Shri
 Chimanbhai Mehta.

given details of certain matters related
 to the Delhi Lottery Fund.

(b) and (c). A grant of Rs. 8 lakh was
 released in March, 1993 out of Lottery
 Funds in favour of Centre for Policy Re-
 search, New Delhi, under the approved
 scheme "Improvement of facilities in JJ
 colonies", which the Centre for Policy
 Research has utilised by investing in the
 bonds issued by the Industrial Credit and
 Investment Corporation of India Ltd. as
 a contribution to corpus fund with the
 prior approval of the Delhi Government.
 In the meanwhile, they have taken up
 two studies relating to the JJ and slum
 colonies of Delhi and their improvement.

(d) and (e) Only in one instance, funds
 amounting to Rs. 50 lakhs were released
 to the Dharamshila Cancer Foundation
 and Research Centre, enabling them to
 get their Cobalt and X-ray equipment re-
 leased from the customs warehouse. Sub-
 sequently, the Foundation had succeeded
 in obtaining the customs duty exemption
 from the Ministry of Finance, Govern-
 ment of India and had requested that
 they be permitted to utilise the grant al-
 ready sanctioned for the same purpose
 and under the same approved scheme of
 Government of India, by way of pur-
 chase of some life saving equipment.
 This was approved by the Government
 of NCT of Delhi and the necessary mod-
 ification in sanction orders made.

SHRI CHIMANBHAI MEHTA: Sir,
 the unaudited grants from the Delhi Lot-
 tery Fund have drawn the attention of
 various leading newspapers in Delhi. Yet,
 from the answer given it appears that the
 Government did not think it fit an to
 ask for clarifications from the Lieutenant-
 Governor. This is a little surprising to
 me. But I am not putting any ques-
 tion in relation to that. However, I
 would like to know whether the unaudit-
 ed lottery fund is outside the purview
 of the CAG. If so, why? Have you ever
 thought of this fund which runs into
 crores of rupees? What is the amount
 there? Can you give us the figures?
 How can it go outside the purview of the
 CAG? How can they utilise it on their
 own? This is my first question.

SHRI P. M. SAYEED: Sir, the funds of the lotteries had been audited for the year 1992-93. For the current year also, it is being done.

With regard to the CAG's purview, whether it has to be brought within the purview of the CAG is to be examined.

THE MINISTER OF HOME AFFAIRS (SHRI S. B. CHAVAN): Just a minute. May I supplement it, Sir?

MR. CHAIRMAN: Yes.

SHRI S. B. CHAVAN: Sir, actually, this was a discretionary fund at the disposal of the Lt-Governor. It was not forming a part of the Consolidated Fund of the Government of the NCTD and that is why, it was considered that since it was beyond the purview of the Consolidated Fund, it would not fall within the purview of the CAG. But, now, with the Government of National Capital Territory of Delhi having come into existence, this will form part of the Consolidated Fund of the Delhi Administration and it will be covered by the CAG.

SHRI CHIMANBHAI MEHTA: Sir, crores of rupees cannot be allowed to be at the discretion of the Lt-Governor. But, in parts (b) and (c) of the question, they have stated that they gave the grant of Rs. eight lakhs to the Centre for Policy Research. But, at that time, they had not stated that this particular amount should be invested in the ICICI bonds. I would like to know whether it is a fact that the grant of Rs. eight lakhs was given in favour of the Centre for Policy Research to do the job that they had demanded the money for. Subsequently instead of utilising the amount for the purpose for which it was asked for, they invested the amount in the ICICI bonds and then the Government approved it afterwards. So, from the very beginning, they had indicated to you that the money that you gave would either go into the bonds of the ICICI or subsequently, because they had done it, you approved it. This is the question. Then, in parts (d) and (e) of the answer, it is stated that the money that was given for pay-

ing customs duty was meant for Customs duty purposes only. But the Government of India gave a concession and the Customs duty was not levied on the important groups and the money was again transferred not for the customs duty purpose but for some other purpose. So, why has it been done subsequently? Why don't you ask them as to what exactly their plan of investment is. So, these are questions (a) and (b) and kindly answer them.

SHRI P. M. SAYEED: Sir, it was true that they have invested this money in the Industrial Credit and Investment Corporation of India as a corpus fund. Initially, they have been given this fund for improvement of facilities in the JJ colonies... (Interruptions)

SHRI CHIMANBHAI MEHTA: Sir, he is not answering my question. He is just saying what he has already said.

MR. CHAIRMAN: Let the Minister finish.

SHRI CHIMANBHAI MEHTA: Sir, he is answering part (b) of my question. Unless he answers part (a) of my question, how can he answer part (b) of the question? If you allow me afterwards, I may put the question.

SHRI P. M. SAYEED: Sir, meanwhile, they have the Centre for Policy Research. They have taken up the study of two schemes relating to the JJ slum colonies. That was true. Secondly, with regard to the Customs duty which was sanctioned by the Finance Ministry, subsequently, that amount was invested by them to purchase some life saving equipment and this was also done with the permission of the NCTD Government.

SHRI CHIMANBHAI MEHTA: Sir, I am not satisfied with the answer given by the hon. Minister. He has agreed that the money that was asked for some schemes was invested in the company. Then, did the Minister ask them how it could be done? It is all right that subsequently they are going to use the money and the money that was to be used for the current schemes is not being used for that purpose.

so that the current schemes are being stopped. Is this the way of handling the grants from the Governor and is it a fact that the Lt.-Governor is also in the Governing Board of the Centre? I would like to know how this is being done; whether the Government would look into the affairs of the Lt.-Governor; how the grants are being distributed and whether there is any arbitrary element.

SHRI S. B. CHAVAN: Sir, the hon. Member is quite right. Actually, it was for the research work that this amount was given to them. Whether it was proper for them to invest it into bonds issued by the ICICI is a point which we will have to consider. Actually, funds are not given from these lottery funds for such a purpose. They should have used them for research purposes, but instead of doing that, they seem to have invested them in the bonds which *prima facie* seems to be not correct. I will have to go into the details and find out as to what exactly the background is.

SHRI B. K. HARIPRASAD: Thank you, Mr. Chairman. I would like to know in the first place why this practice of contributing money out of the unutilised lottery funds by the Government of NCT to the private agencies is going on. Part (b) of my question is whether it is a fact that the lotteries in the NCT are managed by DDA; if so, why not the funds be utilised for improvement of slums. Part (c) of my question is, in view of the questionable conduct of the voluntary agencies, which are presently the beneficiaries of these unutilised lottery funds, whether the Government will direct the DDA to stop forthwith the disbursement of such funds to any private agency or individuals and utilise the same for its on-going slum development programmes.

SHRI P. M. SAYEED: Sir, now, the unutilised fund is not handled by the DDA. It is now handled by the Government of National Capital Territory. Sir, this is a discretionary fund normally used for welfare schemes and whenever such applications come, there is an advisory body which goes into the details

of the project and if they find it feasible and practical, the funds are sanctioned. Since it is coming under the Consolidated Fund of the National Capital Territory, it is well looked after by the CAG as well as the other authorities. The misuse of any such funds will be checked.

SHRI V. NARAYANASAMY: Mr. Chairman, Sir, to the second part of the question which was put by the hon. Member, the reply which came from the Minister is that about Rs. 50 lakhs were given for purchase of medical equipment. In respect of medical equipment, the customs duty paid was given back by way of exemption and those funds were diverted by them with the permission of the Lt.-Governor. Sir, between 1992 and 1993 a large-scale transaction of giving funds by the Lt.-Governor to the voluntary organisations from the utilised lottery funds has taken place. It appears that the decision for granting money to the voluntary organisations in Delhi is to be taken by the Advisory Committee, but unfortunately from the record it is found that the funds were given by the Lt.-Governor after he himself took a decision and thereafter it was referred to the Advisory Committee. Therefore, I would like to know from the hon. Minister, from 1992- to 1993, within a period of one year, in how many cases the funds have been given by the Lt.-Governor to the voluntary organisations and whether it is a fact that without the approval of the Advisory Committee, the Lt.-Governor gave those funds and thereafter the Advisory Committee was apprised for getting clearance.

SHRI P. M. SAYEED: Since these grants are being made continuously the decisions on sanctions, which were accorded, are ratified by the Lottery Advisory Committee. That is the practice. It is required to meet at least once in six months. With regard to sanction from 1992 onwards, the total number of sanctions granted by the Governor is 154 and I can read them out.

SHRI V. NARAYANASAMY: What is the total amount involved?

SHRI P. M. SAYEED: The total amount involved is Rs. 7,77,66,419.

SHRI V. NARAYANASAMY: In that case, I would like to know from the hon. Minister—he says about the practice—whether it is mandatory on the part of the Lt.-Governor to get the approval of the Advisory Committee and secure sanction. I would like to know in how many cases it has been done by the Lt.-Governor and thereafter the Committee was approached for sanction.

SHRI S. B. CHAVAN: Sir, I don't think there is anything basically wrong so long as the funds are being utilised for the objectives for which the funds are meant. If it goes beyond that, then only it becomes objectionable; otherwise, getting sanction of the Advisory Committee before or ex post facto is a matter of procedure. Sometimes, the exigency of the situation demands spending the money first and getting the sanction thereafter. There is nothing wrong in that.

SHRI VIRENDRA KATARIA: Sir, may I know from the Minister that lotteries, as a whole, are creating many law and order problems? Many suicidal cases due to lottery have been reported. In a way the Government is indirectly helping the system of gambling. May I know from the Government whether there is any proposal under consideration or whether they will consider any proposal to ban lotteries in the country?

SHRI P. M. SAYEED: Sir, the hon. Member is correct. The Government has noticed that the lottery system in the country is not functioning up to the expectations and the investors happen to be largely from the poor sections of the society. Therefore, it is high time that we thought of bringing in a Central legislation in order to contain the misuse, which is happening in the country, of lotteries.

SHRI S. B. CHAVAN: Sir, may I supplement? This is one of the resources of the State Governments. If we take

any drastic step, I don't find, in principle, anything objectionable. In fact, it is not a very desirable source of income for any of the State Governments. But for some of the State Governments it is a major source of income. Before we take any decision and bring in a Central legislation, the State Governments will have to be consulted.

डा० जगन्नाथ मिश्र : सभापति महोदय, मंत्री जी के उत्तर से एक नीति संबंधी प्रश्न उठता है कि क्या स्वयं सेवी संस्थाओं के पंजीकरण में यह प्रावधान है कि किसी लाभ कमाने के उद्देश्य से ये नहीं गठित होंगी। लाभ अर्जित करने वाले धन बांडों को खरीदने में लिप्त स्वयं सेवी संस्थाओं का पंजीकरण समाप्त करने के संबंध में क्या कोई ठोस कार्यवाही होती है? अगर संचालित होने के बाद सरकार संतुष्ट हो जाए कि लाभकारी कार्यों से ऐसा हुआ है तो क्या ऐसी स्वयं सेवी संस्थाओं के पंजीकरण निरस्त हुए हैं? अगर हुए हैं तो अब तक कितने हुए हैं?

SHRI S. B. CHAVAN: Sir, the hon. Member is putting the question in an abstract manner. If he makes his position slightly understandable. It will be able to react.

डा० जगन्नाथ मिश्र : सरवाल यह था कि ये स्वयं सेवी संस्थाएँ जो लाटरी से या दूसरी जगहों से धन अर्जित करती हैं उनका उद्देश्य नफा कमाना नहीं है, प्रॉफिट अर्निंग नहीं है। पब्लिक बांड लेने की इजाजत होती है लेकिन उससे मुनाफा कमाकर निहित स्वार्थ के प्रति उसका उपयोग नहीं कर सकते हैं। ऐसी शिकायतें बिहार में हुई हैं जब चैम्बर ऑफ कॉमर्स ने एक लाटरी निकालने की इजाजत बिहार सरकार से ली थी। उस इजाजत के बाद जो धन राशि उसने एकत्रित की थी उसका हिस्सा-किताब वह स्वयं अपने सदस्यों को भी स्पष्ट रूप से दे नहीं पाया था। अनेक इस प्रकार के आरोप थे। इसलिए जो माननीय सदस्य का प्रश्न

था और जो सरकार ने अब तक उत्तर दिए हैं उससे यह स्पष्ट नहीं हो पा रहा है कि अगर ऐसी धनराशि का दुरुपयोग होता है, जबकि शर्त यह है कि स्वयं सेवी संस्थाएं मुनाफा कमाने के उद्देश्य से गठित नहीं होंगी और वह मुनाफा जो अर्जित करती है उसका उपयोग वह कैसे करती हैं, उसकी एकाउंटेंटिबिलिटी सरकार के स्तर पर स्थापित कैसे होती है, कोई प्रक्रियाएं, कोई यंत्र, कोई प्रशासनिक शाखा इसके लिए कार्यरत है? इसी सदर्भ में हमने यह जानना चाहा था कि जहां तीन पंजीकरण के लिए शर्त है, जो अलाभकारी होगा, लाभ कमाने के उद्देश्य से नहीं होगा अगर ऐसे मामले सत्यापित हुए हों तो क्या उसके पंजीकरण निरस्त किए गए हैं, समाप्त किए गए हैं? अगर नहीं किए गए हैं सरकार ऐसी स्वयं सेवी संस्थाओं की पूरी जांच किसी विशिष्ट अधिकारी से या यंत्र से कराना चाहेगी?

SHRI S. B. CHAVAN: Sir, it is entirely for the State Government to take action in the matter. I don't think that the Central Government can possibly intervene. If it is the Bihar Government which has permitted this kind of a thing, the Bihar Government itself will look into the matter. If it is an accountable exercise of the powers vested in them, certainly they will be able to take action.

डा० जगन्नाथ मिश्र : महोदय, क्या जनता के पैसों का दुरुपयोग होता रहेगा और सरकार क्या ऐसे ही देखती रहेगी और अपनी शक्ति को परिभाषित करती रहेगी कि सरकार की शक्तियां हैं या नहीं? क्या सार्वजनिक कोष का दुरुपयोग करने दिया जाएगा?

SHRI S. B. CHAVAN: We can reply on behalf of the Central Government for any transactions with which the Central Government is directly concerned. If it is the Bihar Government which has given the permission, let them go into it. I cannot possibly say anything in

abstract. It depends upon the kind of situation, upon the kind of incident which took place. I cannot give any abstract reply.

MR. CHAIRMAN: Question No. 242.

Criticism of MoU with Oman by experts

***242. SHRI CHIMANBHAI**

MEHTA:†

SHRI SARADA MOHANTY:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that MOU signed by Petroleum Deptt. with Oman regarding supply of gas has been widely criticised by experts in the Press;

(b) whether Government have effectively replied to the critics of MOU;

(c) whether the MOU is renegotiable, and

(d) whether Government would demand reduction in price of gas if not, what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. SATISH SHARMA): (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) No price for the gas has been agreed with Oman.

SHRI CHIMANBHAI MEHTA: Sir, largely the reply of the Minister is "No, Sir," Does not arise and "No, Sir." Sir, the Minister has said that there was no criticism at all with regard to the MOU signed with Oman. Sir, I put this question because there was a strong criticism in certain articles. But, I am not able to locate them just now. So, the Minister may unnecessarily land himself on charges of misleading the House. But, I am not

†The question was actually asked on the floor of the House by Shri Chimanhai Mehta.